

To: McWhirter, Lisa[McWhirter.Lisa@epa.gov]
From: Dermer, Michele
Sent: Fri 10/9/2015 4:29:35 PM
Subject: FW: CALIFORNIA: Oil regulators release improvement plan for agency
CaDOGGR Renewal Plan for Oil-Gas Regulation 10-08-2015.pdf

From: Robin, George
Sent: Friday, October 09, 2015 9:18 AM
To: R9-Deep <R9Deep@epa.gov>
Subject: FW: CALIFORNIA: Oil regulators release improvement plan for agency

fyi, we probably do not need this on the G-drive? But let me know.

George

From: Robin, George
Sent: Friday, October 09, 2015 7:43 AM
To: Robin, George <Robin.George@epa.gov>
Subject: CALIFORNIA: Oil regulators release improvement plan for agency

<http://www.eenews.net/energywire/2015/10/09/stories/1060026136>

CALIFORNIA: Oil regulators release improvement plan for agency

Debra Kahn, E&E reporter

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California oil and gas officials released an assessment yesterday of the regulatory flaws that led to oil wastewater being injected into drinkable aquifers for decades.

Officials disclosed in February that they had been approving injection of wastewater into

federally protected aquifers for decades. Oil drillers were injecting wastewater from drilling operations into more than 2,500 wells that were near drinkable groundwater, violating the Safe Drinking Water Act. Under a U.S. EPA-approved emergency plan, the state is aiming to determine which of the wells have to stop injecting by February 2017 at the latest ([EnergyWire](#), July 20).

Over the next two years, the state's Division of Oil, Gas and Geothermal Resources will reorganize its staff, overhaul its record-keeping, adopt new rules for cyclic steaming and designate staff to anticipate regulations for emerging technologies, under the "[renewal plan](#)" released yesterday.

Cyclic steam injection is a form of enhanced oil recovery that alternates steam injections and oil extractions from the same well, which state officials said could affect wells' integrity by subjecting them to hot and cool periods. Proposed regulations are due out next month, with a final version expected by December 2016.

The plan is designed to further the state's effort to "bring all the problems of the division to light, bring them out into the bright sunshine, so we could fix them," said DOGGR chief Steve Bohlen, who was appointed by Brown in 2014. "This continues in that same vein."

State officials also issued an [evaluation](#) of their activities in one of the six districts that California is divided into for permitting purposes. The review, mandated under the 2010 law S.B. 855, is supposed to be completed every year. The latest review is the first since 2011 and covers only the Los Angeles Basin.

It finds that the district has been plagued by poor record-keeping, poor storage of files and missing data. Seventeen percent of underground injection projects in the district have incomplete data, down from 56 percent in 2011. Additionally, most injection projects have not been reviewed annually, as state and federal law requires. The report found that the majority of projects have not been reviewed since 2007.

While most of the illegal wastewater injection wells were not in District 1, the region does contain about 268 injection projects, 154 of them active, according to the report. State officials said none of them were injecting into drinkable aquifers, but environmentalists said that couldn't be proved from the report and that wells across the state could be similarly uninspected.

"DOGGR is now claiming since they've investigated these wells since February, those have been taken off the danger list, but whether or not that's true is unclear from this report," said Hollin Kretzmann, an attorney with the Center for Biological Diversity, which has sued the state over the emergency injection well regulations as well as hydraulic fracturing regulations enacted last year.

"What's alarming is the broader picture," Kretzmann said. "This is just the latest demonstration that DOGGR is not up to the task of corralling the state's oil and gas industry. DOGGR has been totally asleep at the wheel in District 1, and there's no

indication in this report it wouldn't also apply to other districts."

Kretzmann said an Alameda County Superior Court judge this week overruled the state's motion to dismiss the injection lawsuit and that he expects a hearing to be scheduled by December. "That's a huge victory for us and signals our case is really strong, and we fully expect to win on the merits," he said.